

**TESTIMONY OF**  
**THE UNITED ILLUMINATING COMPANY**

**Before the Energy and Technology Committee**

**On**  
**HB 5207 AN ACT CONCERNING A SPECIAL ELECTRICITY RATE FOR SENIORS**  
**WHO HEAT THEIR HOMES WITH ELECTRICITY**  
**RAISED BILL**  
**Legislative Office Building**  
**February 3, 2011**

Good afternoon Senator Fonfara, Representative Nardello, and members of the Energy and Technology Committee. My name is Laura Gonzalez and I am the Director of Collections at The United Illuminating Company ("UI"). I am here today to offer UI's comments regarding **RAISED BILL HB 5207 - AN ACT CONCERNING A SPECIAL ELECTRICITY RATE FOR SENIORS WHO HEAT THEIR HOMES WITH ELECTRICITY**

If the Committee decides to go forward with this bill, UI suggests that there should be a means test that a customer must meet in order to qualify for a special discount rate, as is now the case for programs that benefit low-income customers. In addition, UI suggests that customers receiving service under a discounted seniors rate be required to keep their electric bill less than 60 days past due. In addition, such customers should be required to select the lowest cost energy provider and participate in applicable conservation and load management programs offered by the utility. This supports customer engagement in managing their energy cost and avoiding the situation where customers do not care about

managing energy use or cost because they are on a discounted rate. A conservation component would also support state energy policy goals and will enable participating customers to reduce their consumption, which, in turn, will reduce the discount amount to be supported by all other customers.

As UI testified during the 2010 legislative session on SB 460 and HB 5505, the regulatory hearing required for the Department of Public Utility Control to determine a discounted rate should be a contested proceeding. This proceeding should address cost recovery through the Systems Benefits Charge and seek ways to minimize the increased costs that would be borne by other ratepayers (for example, the requirement of participation in conservation programs, discussed above).

Finally, it should be borne in mind that the discount contemplated in this bill, even with the changes suggested by UI, will still result in a subsidy from all other customers to the customers receiving the discount.

Thank you for the opportunity to appear before you today. I am happy to address any questions you may have.